

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-22649	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. WELL NAME and NUMBER: NBU 922-32J1	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2044'FSL, 1513'FEL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW NWSW 32 9S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 24.2 MILES SOUTHEAST OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1513'	16. NUMBER OF ACRES IN LEASE: 640.00	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 20.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,020	20. BOND DESCRIPTION: RLB0005238	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4973'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:	

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,050	265 SX CLASS G	15.6 PPG	1.18 YIELD
7 7/8"	4 1/2	I-80	11.6#	9,020	1850 SX 50/50 POZ	14.3 PPG	1.31 YIELD

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
SIGNATURE *Sheila Upchego* DATE 4/12/2006
(This space for State use only)

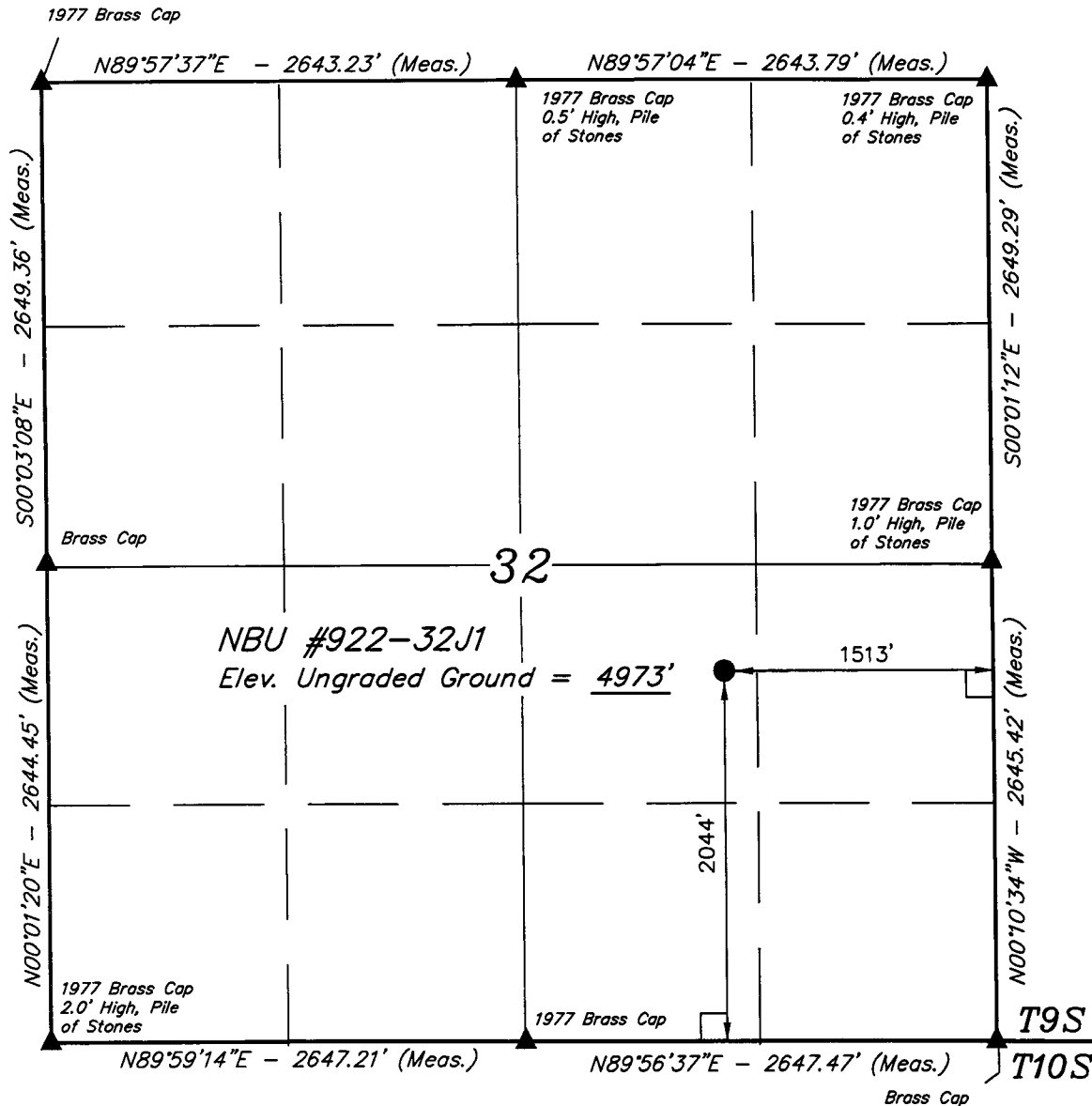
RECEIVED
APR 14 2006

API NUMBER ASSIGNED: 4364738011

APPROVAL:

DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.



LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

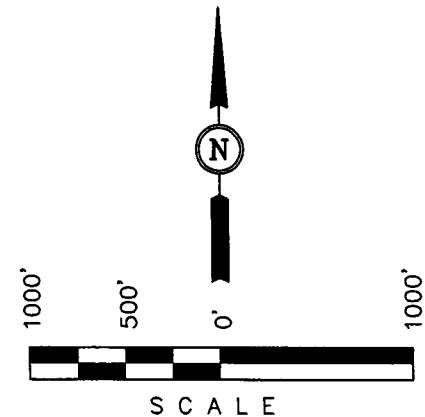
(NAD 83)
LATITUDE = 39°59'27.11" (39.990864)
LONGITUDE = 109°27'35.33" (109.459814)
(NAD 27)
LATITUDE = 39°59'27.24" (39.990900)
LONGITUDE = 109°27'32.87" (109.459131)

KERR McGEE OIL & GAS ONSHORE LP

Well location, NBU #922-32J1, located as shown in the NW 1/4 SE 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A RIDGE TOP NEAR THE WEST 1/4 CORNER OF SECTION 9, T10S, R22E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5304 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Hays
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-02-06	DATE DRAWN: 02-03-06
PARTY P.J. N.F. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE KERR McGEE OIL & GAS ONSHORE LP	

**NBU 922-32J1
NWNWSW SEC 32-T9S-R22E
UINTAH COUNTY, UTAH
ML-22649**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1292'
Mahogany	2187'
Wasatch	4433'
Mesaverde	6941'
MVU2	7851'
MVL1	8390'
TD	9020'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1292'
	Mahogany	2187'
Gas	Wasatch	4433'
Gas	Mesaverde	6941'
Gas	MVU2	7851'
Gas	MVL1	8390'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9020' TD, approximately equals 5592 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3608 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE April 12, 2006
WELL NAME NBU 922-32J1 TD 9,020' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,973' GL KB 4,988'
SURFACE LOCATION NWNWSW SECTION 32, T9S, R22E 2044'FSL, 1513'FEL BHL Straight Hole
Latitude: 39.990864 Longitude: 109.459814
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: DOGM (SURF & MINERALS), BLM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to					
	Green River @	1,292'			
	Top of Birds Nest Water @	1542'			
	Preset fl GL @				
	2,050' MD				
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	2,187'			
Mud logging program TBD					
Open hole logging program fl TD - surf csg					
	Wasatch @	4,433'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.5 ppg
	Mverde @	6,941'			
	MVU2 @	7,851'			
	MVL1 @	8,390'			
	TD @	9,020'			Max anticipated Mud required 11.5 ppg



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2050	32.30	H-40	STC	0.67*****	1.43	4.38
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9020	11.60	I-80	LTC	2.28	1.18	2.20

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft - partial evac gradient x TVD of next csg point))
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft - partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
- MASP 3410 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2			NOTE: If well will circulate water to surface, option 2 will be utilized				
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,930'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,090'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1420	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper

& lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE: _____

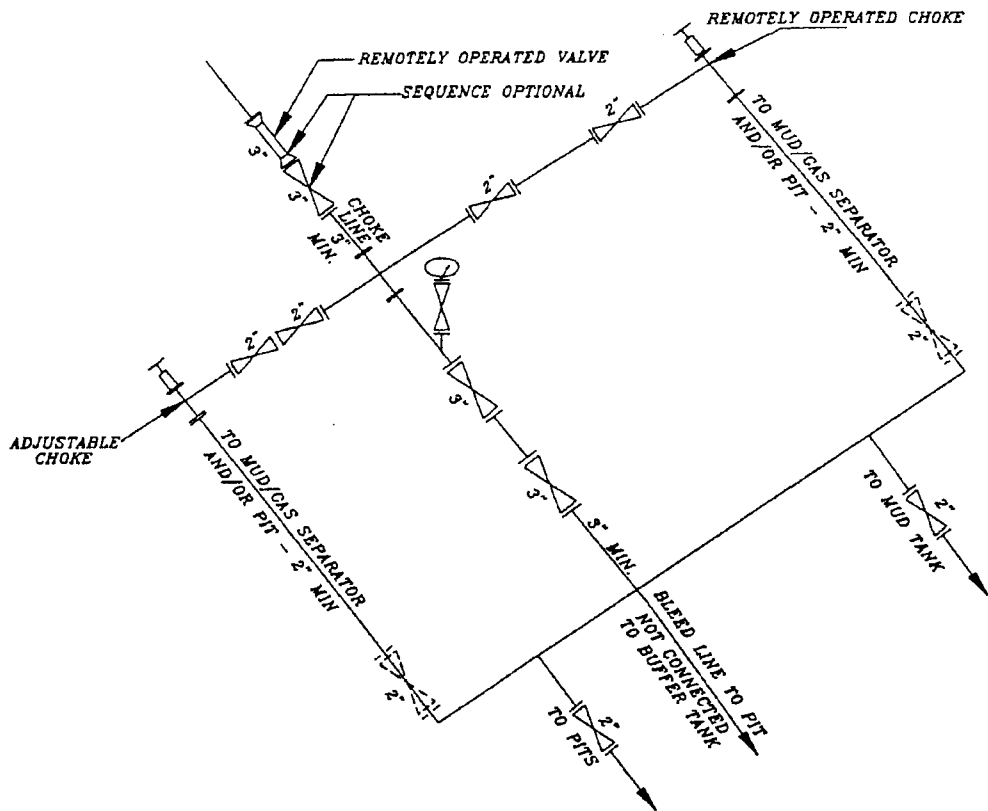
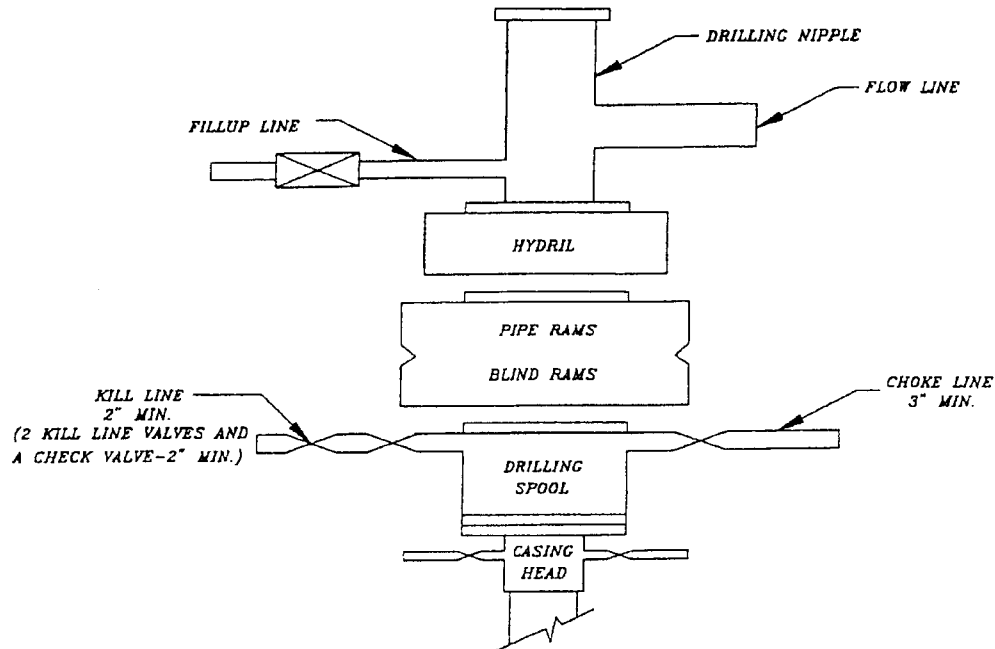
DRILLING SUPERINTENDENT:

Randy Bayne

DATE: _____

NBU922-32J1_180_APD.xls

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU 922-32J1
NWNWSE SEC 32-T9S-R22E
Uintah County, UT
ML-22649**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 0.1 +/- miles of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 300' +/- of Low Pressure and Approximately 600' +/- of High Pressure pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East.
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

4/12/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #922-32J1
SECTION 32, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE EXISTING #51J AND THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.2 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32J1

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R22E, S.L.B.&M.

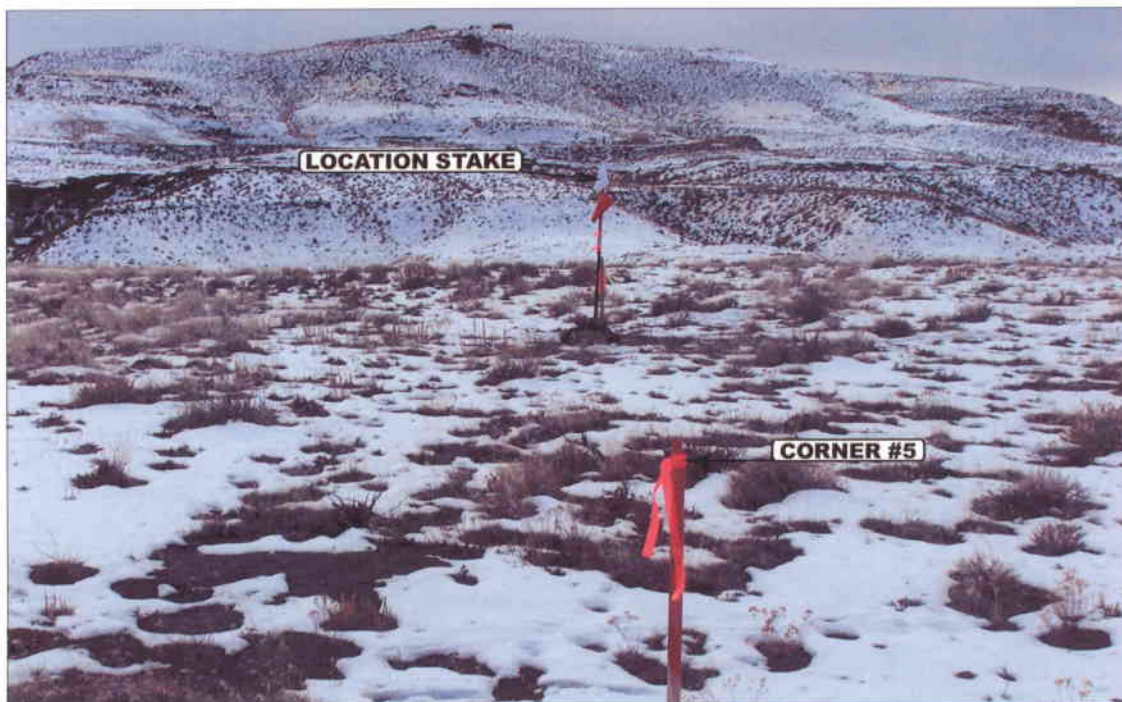


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

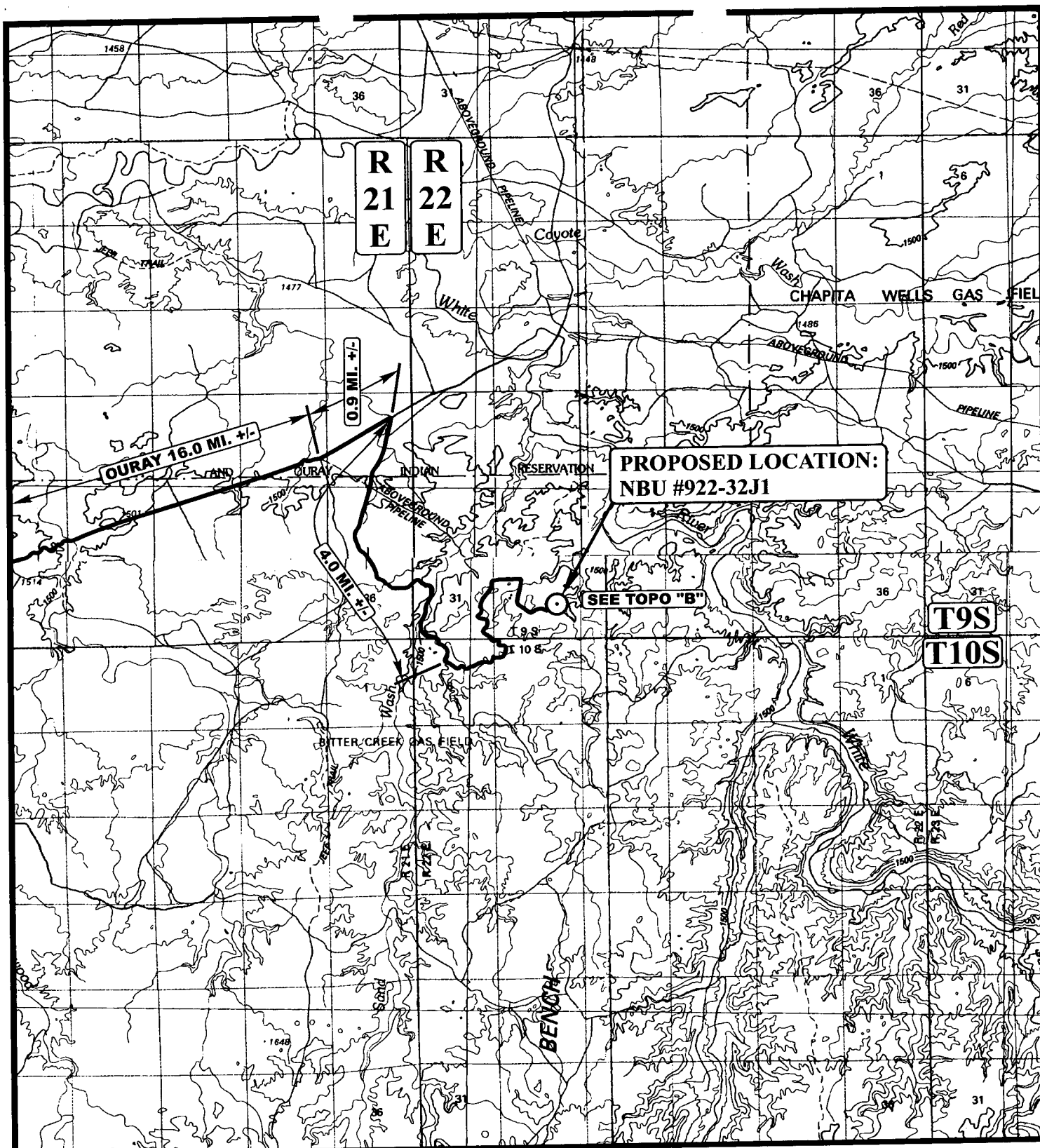
02 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32J1

SECTION 32, T9S, R22E, S.L.B.&M.

2044' FSL 1513' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

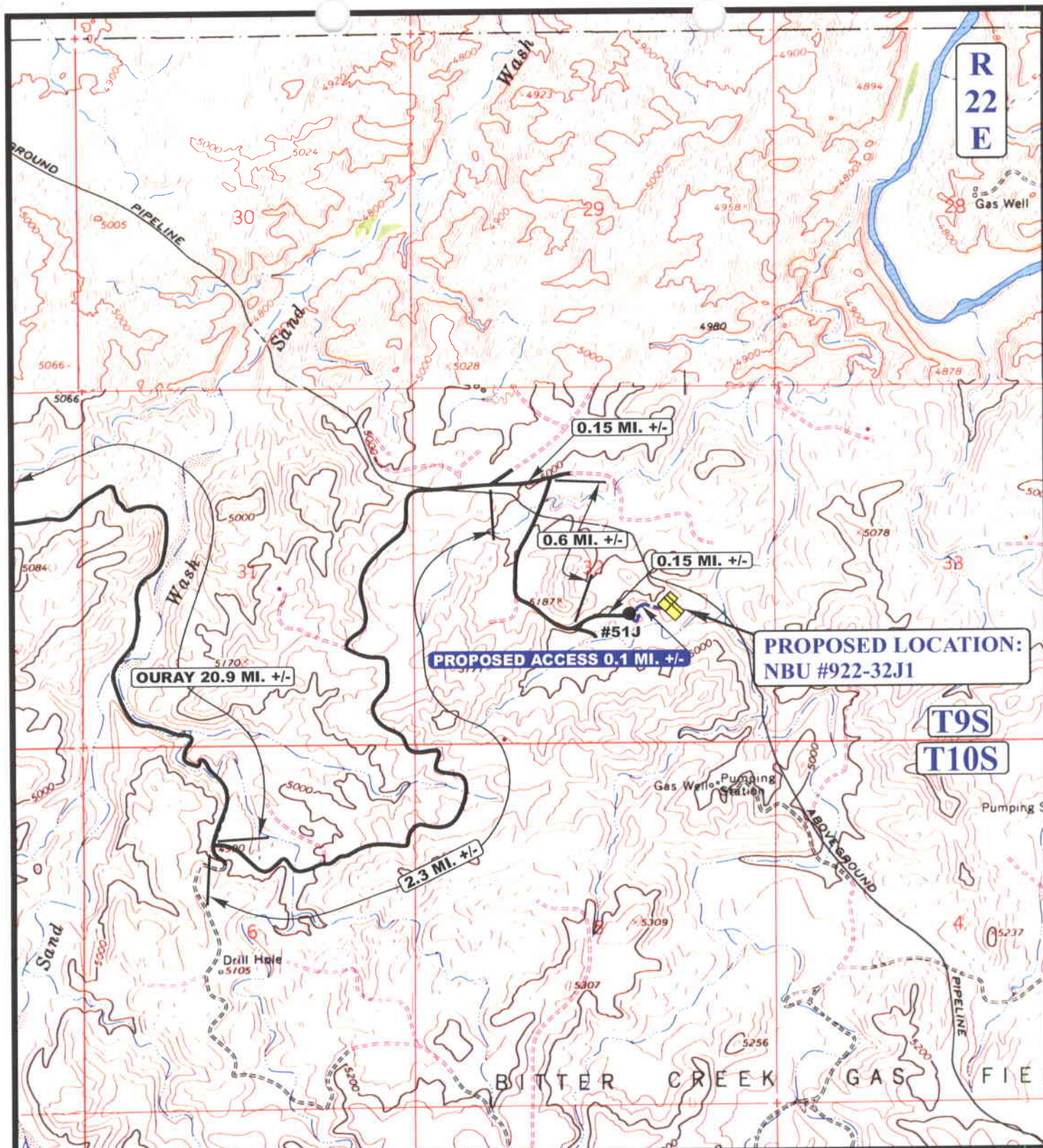
02 08 06
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00





LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD

N

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MAP

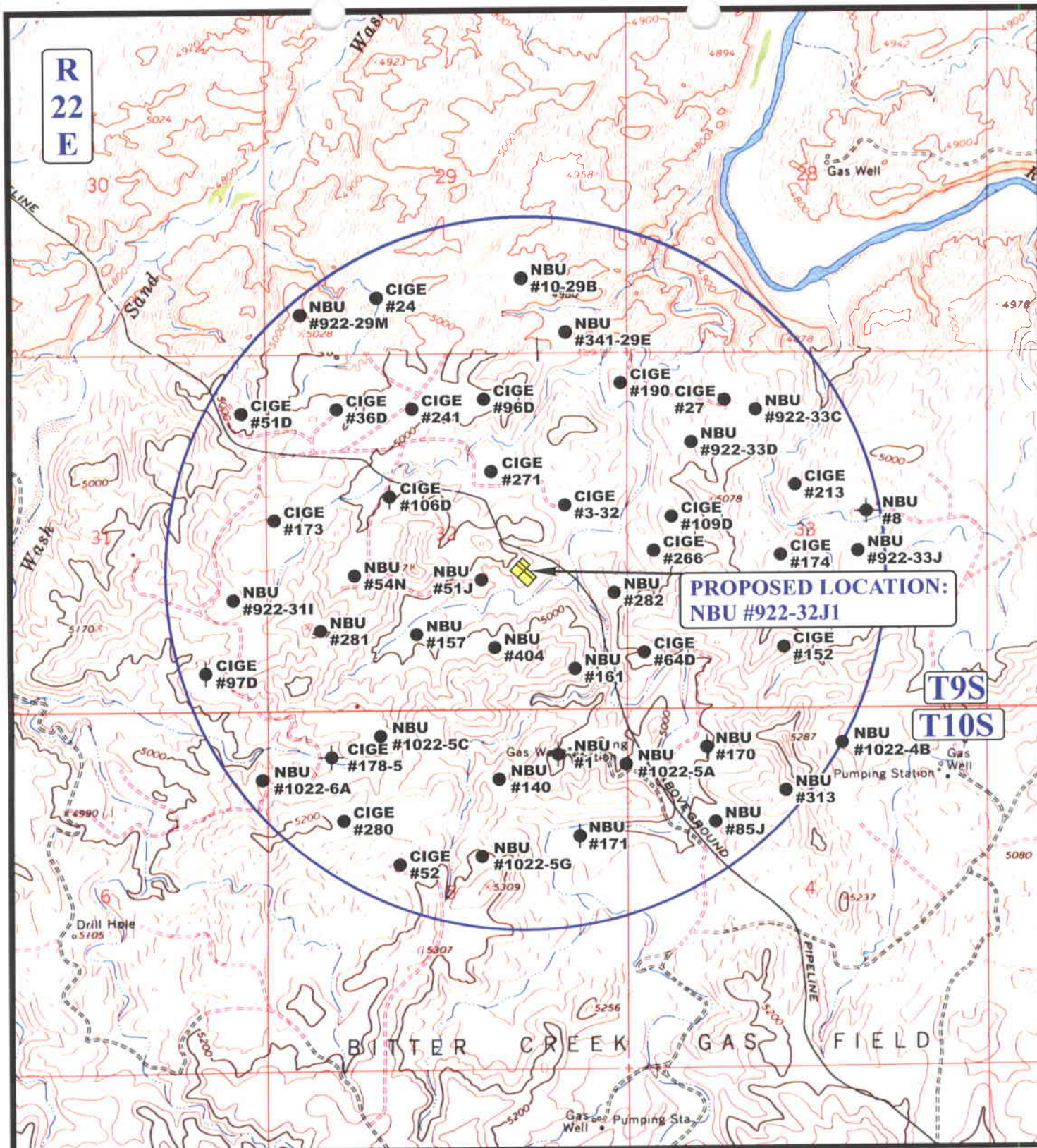
02 **08** **06**
 MONTH DAY YEAR

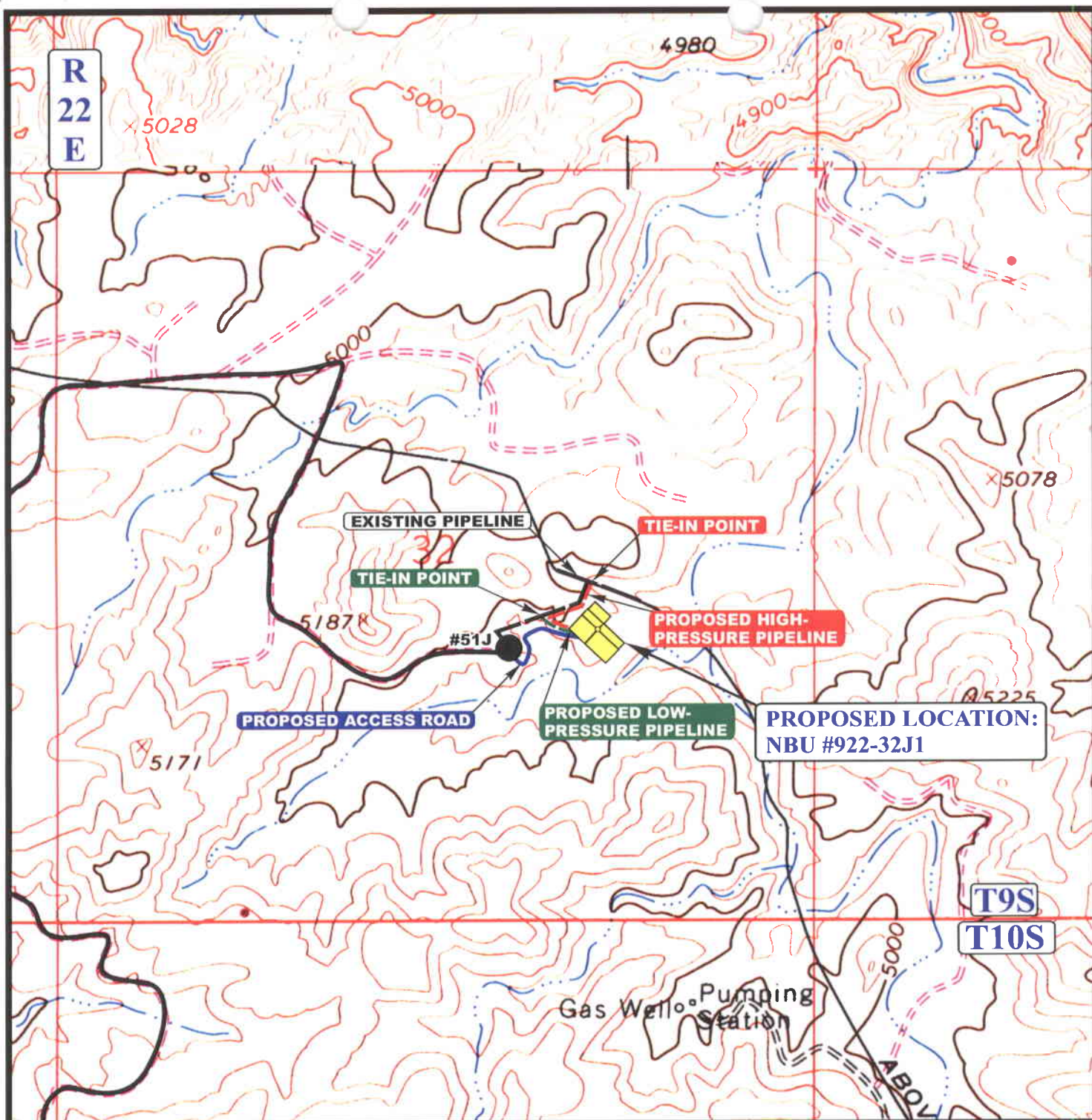
SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00

B
 TOPO





APPROXIMATE TOTAL LOW-PRESSURE PIPELINE DISTANCE = 300' +/-

APPROXIMATE TOTAL HIGH-PRESSURE PIPELINE DISTANCE = 600' +/-

LEGEND:

	PROPOSED ACCESS ROAD
	EXISTING PIPELINE
	PROPOSED HIGH-PRESSURE PIPELINE
	PROPOSED LOW-PRESSURE PIPELINE



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32J1

SECTION 32, T9S, R22E, S.L.B.&M.

2044' FSL 1513' FEL



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TOPOGRAPHIC
MAP

02 **08** **06**
MONTH DAY YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32J1

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**U
E
L
S**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

02 08 06
MONTH DAY YEAR

PHOTO

TAKEN BY: P.J.

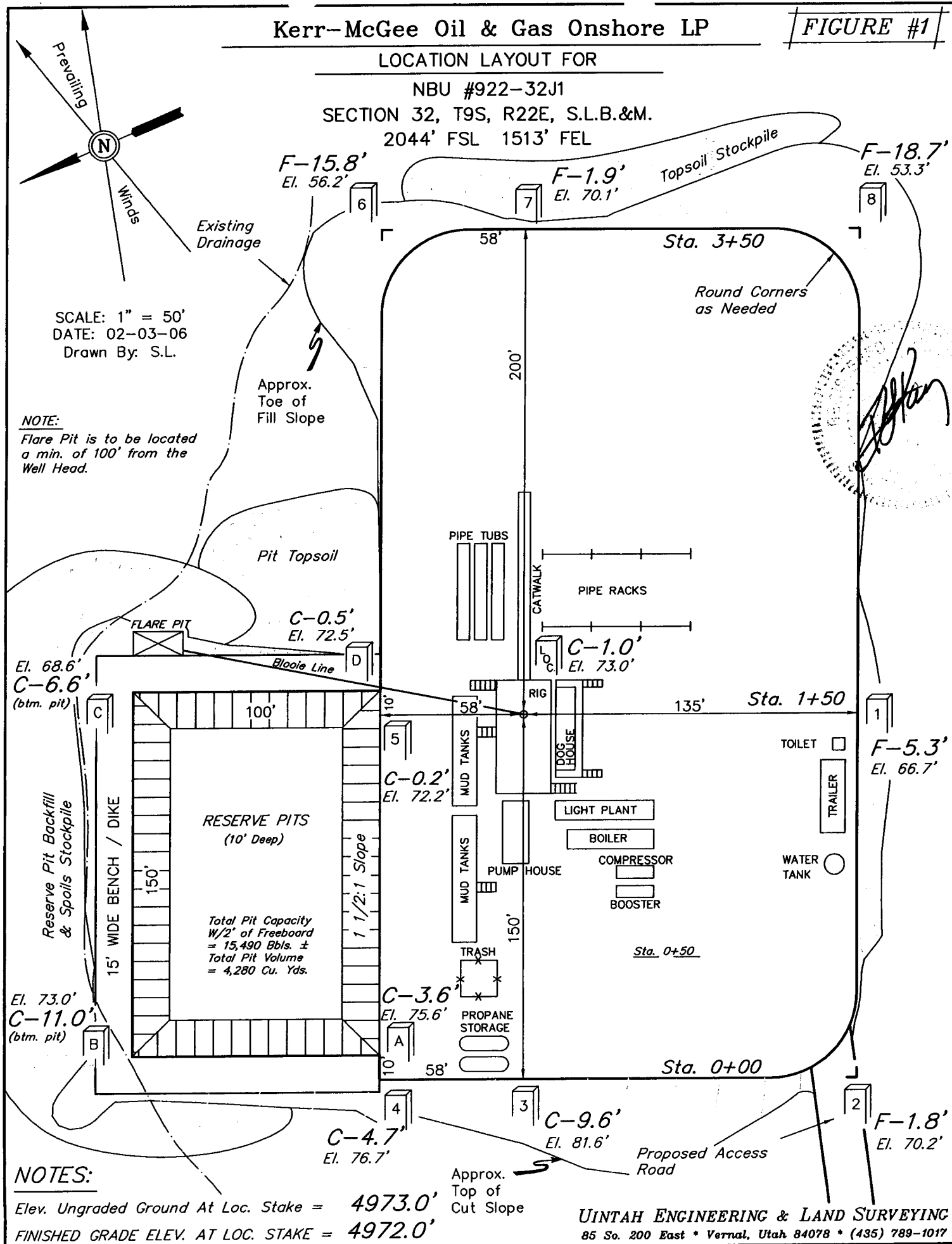
DRAWN BY: C.P.

REVISED: 00-00-00

FIGURE #1

NBU #922-32J1

2044' FSL 1513' FEL



Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #922-32J1

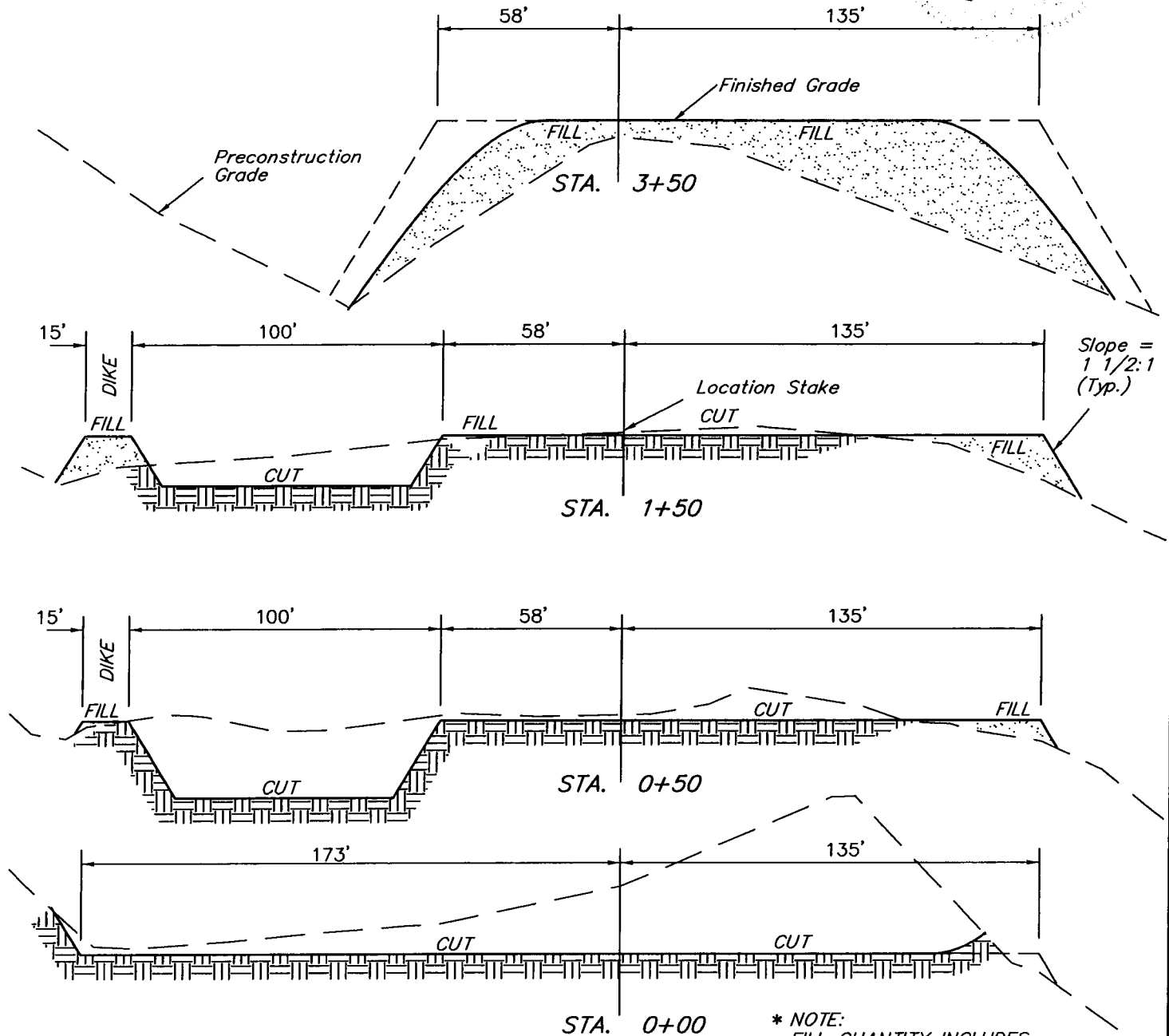
SECTION 32, T9S, R22E, S.L.B.&M.

2044' FSL 1513' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 02-03-06

Drawn By: S.L.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 2,010 Cu. Yds.

Remaining Location = 7,760 Cu. Yds.

TOTAL CUT = 9,770 CU.YDS.

FILL = 5,620 CU.YDS.

EXCESS MATERIAL = 4,150 Cu. Yds.

Topsoil & Pit Backfill = 4,150 Cu. Yds.
(1/2 Pit Vol.)

DEFICIT UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

- 1- STATEMENT OF BASIS
- 2- Q1 Shule
- 3- Surface Csg Cont st p

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: Kerr McGee Oil and Gas Onshore LP
WELL NAME & NUMBER: NBU 922-32J1
API NUMBER: 43-047-38011
LOCATION: 1/4,1/4 NW/SW Sec: 32 TWP: 9S RNG: 22E; 2044' FSL 1513' FEL

Geology/Ground Water:

Kerr McGee proposes to set 2,050' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,500'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The production casing cement should be brought up above the base of the moderately saline ground water in order to isolate it from fresher waters up hole. The proposed casing and cement should adequately protect. Any usable ground water.

Reviewer: Brad Hill **Date:** 05/04/06

Surface:

The pre-drill investigation of the surface was performed on April 26, 2006. Ed Bonner and Jim Davis of SITLA and Ben Williams of UDWR were invited to attend the pre-site on April 21, 2006. Mr. Davis attended. Mr. Williams stated he had a previous commitment and would not be able to attend

The site is State Surface and State Minerals. The collective drainage is a tributary of Sand Wash. The pad is located on an elevated bench, which slopes slightly to the northeast. To the north of the bench is a higher ridge with sandstone outcrops or cliffs near the top. A draw begins within the northeast corner of the location and the head of it will be covered with fill. Deep draws exist immediately south and northeast of the proposed pad. Approximately 0.15 miles of new road will be constructed from the existing road. The proposed location poses no obvious problems for drilling and appears to be the best location for drilling a well in the immediate area.

On other pre-sites in the general area, Mr. Williams of the UDWR has stated that the area is classified as critical yearlong antelope range, however he did not recommend any stipulations, as water is the limiting factor affecting the population not forage. Also no other wildlife were expected to be affected.

Reviewer: Floyd Bartlett **Date:** 04/27/2006

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: Kerr McGee Oil and Gas Onshore LP
WELL NAME & NUMBER: NBU 922-32J1
API NUMBER: 43-047-38011
LEASE: ML-22649 **FIELD/UNIT:** Natural Buttes
LOCATION: 1/4, 1/4 NW/SW **Sec:** 32 **TWP:** 9S **RNG:** 22E ; 2044' FSL 1513' FEL
LEGAL WELL SITING: 460 Feet from unit boundary and uncommitted tracts.
GPS COORD (UTM): 4427674 Y 0631554 X **SURFACE OWNER:** State of Utah
(SITLA)

PARTICIPANTS

Floyd Bartlett (DOGM), Carol Estes, Rich Devot, Shane Bullock and Clay Einerson (Kerr McGee), Luke Kay (Uintah Engineering & Land Survey), Jim Davis (SITLA),

REGIONAL/SETTING TOPOGRAPHY

General area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 24 miles southeast of Ouray, Utah. Access is by State of Utah Highway, Uintah County and oilfield development roads.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 1 1/2 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This site is on an elevated bench which slopes slightly to the northeast. To the north of the bench is a higher ridge with sandstone outcrops or cliffs near the top. A draw begins within the northeast corner of the location and the head of it will be covered with fill. Deep draws exist immediately south and northeast of the proposed pad. The collective drainage is a tributary of Sand Wash. No stabilization problems are likely to occur. Approximately 0.15 miles of new road will be constructed from the existing road.

SURFACE USE PLAN

CURRENT SURFACE USE: Sheep grazing, limited hunting and recreation.

PROPOSED SURFACE DISTURBANCE: Location of 350'x 193' and a reserve pit of 150'x 100'x 10 feet deep and an additional 15' wide bench. Approximately 0.15 mile of new road will be required. All material for the location and road will be obtained onsite.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: Numerous. See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. A pipeline 300 feet in length will follow the access road.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be obtained from the site.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as the general use in the area is oil-field related with numerous other wells in the surrounding area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: A cover of desert type vegetation consisting of bud sagebrush, cheatgrass, halogeton, shadscale, prickly pear, horse brush and curly mesquite occupies the site. Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter.

SOIL TYPE AND CHARACTERISTICS: Moderately deep sandy loam with scattered small surface rock. Some sandstone bedrock is exposed on the nearby ridges.

EROSION/SEDIMENTATION/STABILITY: Little natural erosion. Sedimentation and stability are not a problem and location construction shouldn't cause an increase in stability or erosion problems. The location does not intersect any drainages but the head of one steep drainage will be filled.

PALEONTOLOGICAL POTENTIAL: Survey completed and furnished for the file.

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 10' deep. The reserve pit is all within cut on the north west side of the location. A 15' wide bench is planned around the outer edges and 2' of freeboard.

LINER REQUIREMENTS (Site Ranking Form attached): Level 1 sensitivity. A 16 mil liner with a felt pad will be required for the reserve pit. The

operator stated that a 20mil liner with double felt sub-pad, as needed would be installed.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA requirements.

SURFACE AGREEMENT:

As per SITLA requirements.

CULTURAL RESOURCES/ARCHAEOLOGY: Site has been surveyed by MOAC on 3-14-2006.
A copy will be furnished to SITLA.

OTHER OBSERVATIONS/COMMENTS

Ben Williams of the UDWR was invited to the pre-site on Friday 4/21/06.
He was unable to attend because of previous commitments. On other pre-
sites in the general area he has stated that the area is classified as
critical yearlong antelope range, however he did not recommend any
stipulations, as water is the limiting factor affecting the population
not forage. Also no other wildlife are expected to be affected.

This pre-drill investigation was conducted on a sunny day. ATV's were
used to access the site.

ATTACHMENTS

Photos of this site were taken and placed on file.

FLOYD BARTLETT
DOGM REPRESENTATIVE

04/26/06; 11:55 AM
DATE/TIME

**Valuation Ranking Criteria and Ranking Core
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>10</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level I = 15-19; lining is discretionary.

Sensitivity Level II = below 15; no specific lining is required.

05-06 Kerr McGee NBU 922 J2J1

Casing Schematic

Uirta

Surface

9-5/8"
MW 8.4
Frac 19.3

TOC @
0.

TOC @
0.

1242 Green River

1537
TOC Tail

✓ w/ 6% Washout
Surface str A

Surface
2050. MD

3500 Bmsw

3860
TOC Tail

✓ w/ 18% Washout

4430 Wasatch

6941 Mesaverde

4-1/2"
MW 11.5

Production
9020. MD

BHP

$$(0.52)(11.5)(9020) = 5393$$

Anticipate - 3608

GAS

$$(12)(9020) = 1082$$

MASP = 4311

BOPE - 5,000 ✓

Surf csq - 2270

70% = 1589

Max pressure @ Surf csq shoe = 3860

Test To 1589# (propose 1500) ✓

✓ Adequate D&D 5/11/06

Well name:

05-06 Kerr McGee NBU 922-32J1

Operator: **Kerr McGee**

String type: Surface

Project ID:

43-047-38011

Location: Uintah County

Design parameters:**Collapse**

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 75 °F

Bottom hole temperature: 104 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface

pressure: 1,804 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 2,050 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 1,797 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,020 ft

Next mud weight: 11.500 ppg

Next setting BHP: 5,389 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 2,050 ft

Injection pressure 2,050 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2050	9.625	32.30	H-40	ST&C	2050	2050	8.876	130
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	895	1370	1.532	2050	2270	1.11	58	254	4.38 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: May 5, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2050 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	05-06 Kerr McGee NBU 922-32J1	
Operator:	Kerr McGee	Project ID:
String type:	Production	43-047-38011
Location:	Uintah County	

Design parameters:

Collapse

Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 201 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,264 psi
Internal gradient: 0.346 psi/ft
Calculated BHP 5,389 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,469 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9020	4.5	11.60	N-80	LT&C	9020	9020	3.875	209.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5389	6350	1.178	5389	7780	1.44	87	223	2.57 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: May 5, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9020 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

May 16, 2006

Kerr-McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 922-32J1 Well, 2044' FSL, 1513' FEL, NW SE, Sec. 32,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38011.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Operator: Kerr-McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 922-32J1
API Number: 43-047-38011
Lease: ML-22649

Location: NW SE **Sec.** 32 **T.** 9 South **R.** 22 East

Conditions of Approval

1. **General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-22649		6. SURFACE: State	
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>						7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>						8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP						9. WELL NAME and NUMBER: NBU 922-32J1	
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078				PHONE NUMBER: (435) 781-7024		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2044'FSL, 1513'FEL AT PROPOSED PRODUCING ZONE: _____						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSM 32 9S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 24.2 MILES SOUTHEAST OF OURAY, UTAH						12. COUNTY: UINTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1513'		16. NUMBER OF ACRES IN LEASE: 640.00		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 20.00			
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C		19. PROPOSED DEPTH: 9,020		20. BOND DESCRIPTION: RLB0005238			
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4973'GL		22. APPROXIMATE DATE WORK WILL START:		23. ESTIMATED DURATION:			

24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,050	265 SX CLASS G	15.6 PPG	1.18 YIELD
7 7/8"	4 1/2	I-80	11.6#	9,020	1850 SX 50/50 POZ	14.3 PPG	1.31 YIELD

25. ATTACHMENTS	
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:	
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE *Sheila Upchego* DATE 4/12/2006

(This space for State use only)

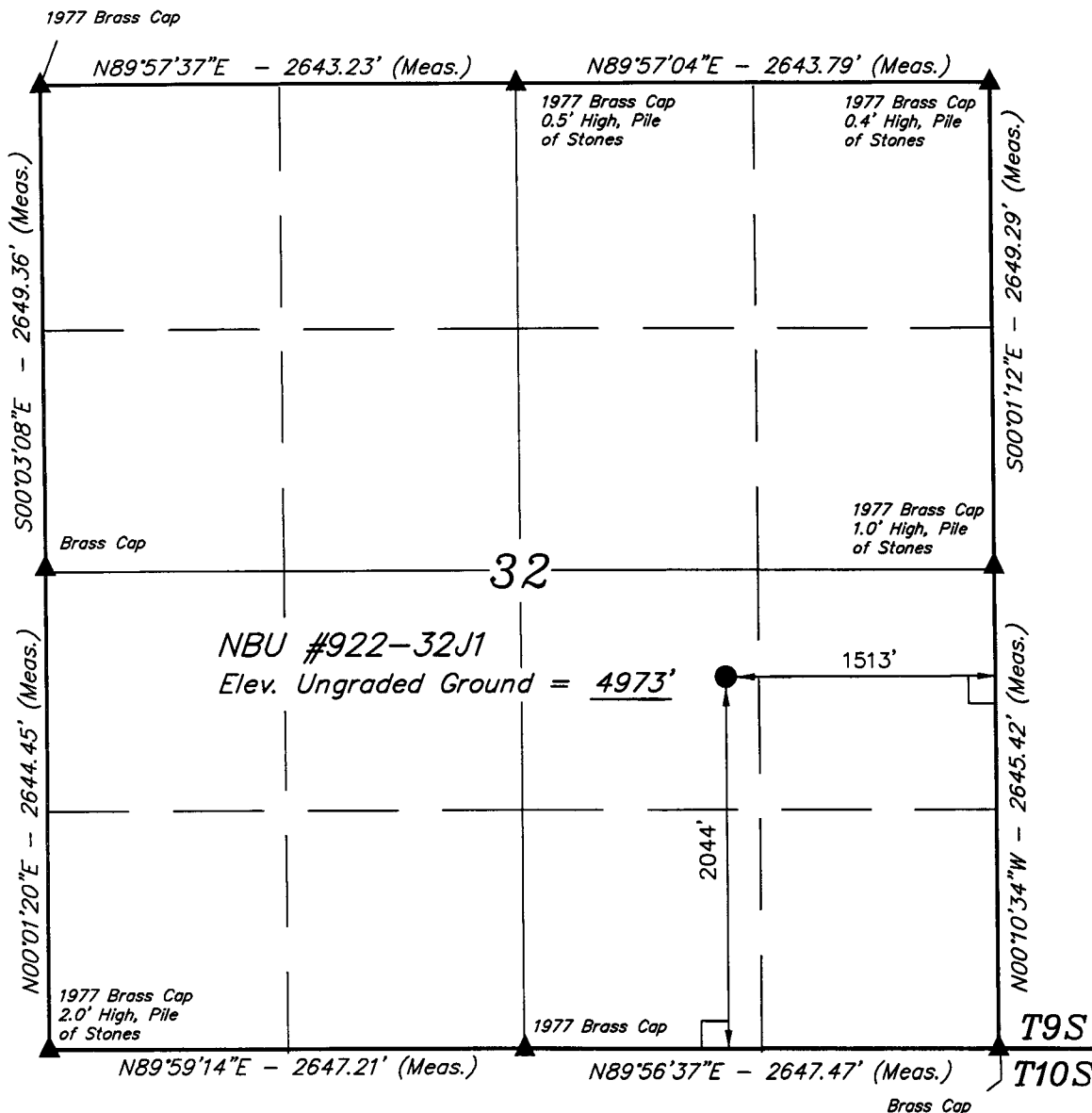
API NUMBER ASSIGNED: 43 647 35011

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:
Date: 05-16-06 **RECEIVED**
By: *Sheila Upchego* **APR 14 2006**

DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

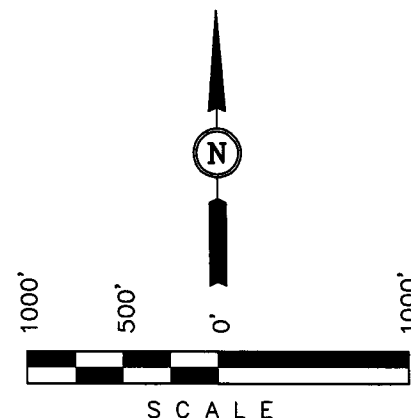
(NAD 83)
LATITUDE = 39°59'27.11" (39.990864)
LONGITUDE = 109°27'35.33" (109.459814)
(NAD 27)
LATITUDE = 39°59'27.24" (39.990900)
LONGITUDE = 109°27'32.87" (109.459131)

KERR McGEE OIL & GAS ONSHORE LP

Well location, NBU #922-32J1, located as shown in the NW 1/4 SE 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A RIDGE TOP NEAR THE WEST 1/4 CORNER OF SECTION 9, T10S, R22E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5304 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Hays
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-02-06	DATE DRAWN: 02-03-06
PARTY P.J. N.F. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE KERR McGEE OIL & GAS ONSHORE LP	

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160
(UT-922)

April 24, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch/MesaVerde)		
43-047-38005	NBU 922-31O	Sec 31 T09S R22E 0135 FSL 1638 FEL
43-047-38006	NBU 922-32E	Sec 32 T09S R22E 2022 FNL 0305 FWL
43-047-38007	NBU 922-32H	Sec 32 T09S R22E 1555 FNL 0951 FEL
43-047-38008	NBU 922-32D	Sec 32 T09S R22E 0264 FNL 0778 FWL
43-047-38009	NBU 922-32J3	Sec 32 T09S R22E 1434 FSL 2382 FEL
43-047-38010	NBU 922-3202	Sec 32 T09S R22E 0844 FSL 2377 FEL
43-047-38011	NBU 922-32J1	Sec 32 T09S R22E 2044 FSL 1513 FEL
43-047-38002	NBU 922-33K2	Sec 33 T09S R22E 2383 FSL 1837 FWL
43-047-38003	NBU 922-33K	Sec 33 T09S R22E 1586 FSL 2553 FWL
43-047-38004	NBU 922-33H	Sec 33 T09S R22E 2222 FNL 0283 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2044'FSL, 1513'FEL (NWNWSW) QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 9S 22 21E		8. WELL NAME and NUMBER: NBU 922-32J1
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 43104738011
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: PIPELINE CHANGE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

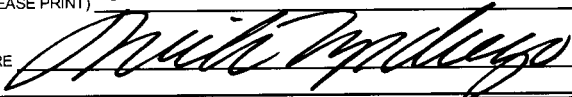
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

AN ON-SITE INSPECTION WAS CONDUCTED ON 04/26/2006. IT WAS DECIDED AT THE ON-SITE INSPECTION TO CHANGE THE PIPELINE ROUTE FROM THE PROPOSED PIPELINE, TO APPROXIMATELY 250' +/- OF 4" PIPELINE TO AN EXISTING PIPELINE. AS DISCUSSED AT THE ON-SITE INSPECTION.

PLEASE REFER TO TOPO MAP D FOR PIPELINE PLACEMENT.

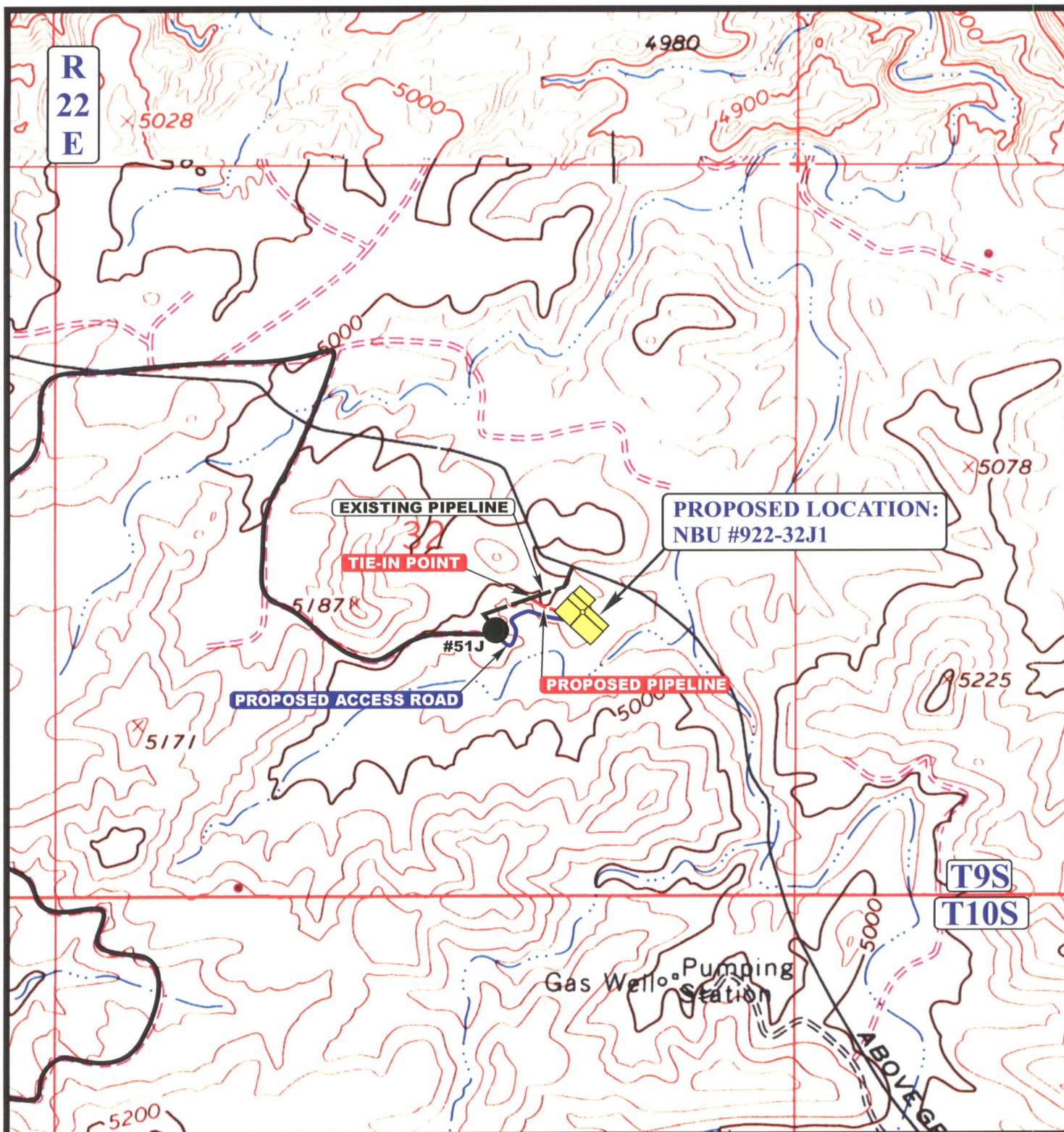
RECEIVED

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 5/4/2006

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only (See Instructions on Reverse Side)



APPROXIMATE TOTAL PROPOSED PIPELINE DISTANCE = 250' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32J1

SECTION 32, T9S, R22E, S.L.B.&M.

2044' FSL 1513' FEL

U E I S **Utah Engineering & Land Surveying**
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP **02 08 06**
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REV: B.C. 05-01-06 **D TOPO**

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE LP

Well Name: NBU 922-32J1

Api No: 43-047-38011 Lease Type: STATE

Section 32 Township 09S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 07/06/06

Time 1:00 PM

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 07/07/2006 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738011	NBU 922-32J1		NWSE	32	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	7/6/2006		<u>7/13/06</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMUD</u> SPUD WELL LOCATION ON 07/06/2006 AT 1300 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736562	NBU 921-31F		SESW	31	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	7/8/2006		<u>7/13/06</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMUD</u> SPUD WELL LOCATION ON 07/08/2006 AT 1300 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

To: EARLENE RUSSELL From: SHEILA UPCHEGO
Co./Dept. UTDOGIM Co. KMG
(5/2000) Phone # (801) 338-5330 Phone # (435) 781-7024
Fax # (801) 338-3940 Fax # (435) 781-7024

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

7/10/2006

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JUL 10 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

8. WELL NAME and NUMBER:
NBU 922-32J1

9. API NUMBER:
4304738011

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2044'FSL, 1513'FEL (NWNWSE)

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2090' TO 8409' ON 08/05/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/431 SX PREM LITE II @11.8 PPG 5.54 YIELD. TAILED CMT W/1152 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACED W/129.7 BBLS TREATED WATER PLUG BUMPED W/3005# PSI FLOAT HELD SET SLIPS CLEAN PITS.

RELEASED PIONEER RIG 52 ON 08/07/2006 AT 0900 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 7/10/2006

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AUG 21 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

UNIT #891008900A

8. WELL NAME and NUMBER:

NBU 922-32J1

9. API NUMBER:

4304738011

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:

1368 SOUTH 1200 EAST

CITY

VERNAL

STATE

UT

ZIP

84078

PHONE NUMBER:

(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2044'FSL, 1513'FEL (NWNWSE)

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 22E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 07/06/2006 AT 1300 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 7/10/2006

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JUL 25 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

UNIT #891008900A

8. WELL NAME and NUMBER:

NBU 922-32J1

9. API NUMBER:

4304738011

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:

1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:

(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2044'FSL, 1513'FEL (NWNWSE)

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 22E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☒ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

TYPE OF ACTION

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: SET SURFACE CSG

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU BILL MARTIN AIR RIG ON 07/08/2006. DRILLED 12 1/4" SURFACE HOLE TO 2090'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/285 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/840 SX CLASS G @15.8 PPG 1.15 YIELD DOWN BACKSIDE CMT TO SURFACE HOLE STAYED FULL.

WORT

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 7/10/2006

(This space for State use only)

RECEIVED

JUL 25 2006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-22649

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

UNIT #891008900A

8. WELL NAME and NUMBER:

NBU 922-32J1

9. API NUMBER:

4304738011

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

KERR McGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR:

1368 SOUTH 1200 EAST

CITY VERNAL

STATE UT

ZIP 84078

PHONE NUMBER:

(435) 781-7024

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 2044'FSL, 1513'FEL (NWNWSE

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S 22E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☒ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: PRODUCTION
START-UP

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/29/2006 AT 9:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE

DATE 10/4/2006

(This space for State use only)

OCT 11 2006

KERR MCGEE OIL & GAS ONSHORE, LP

CHRONOLOGICAL HISTORY

NBU 922-32J1

UINTAH COUNTY, UT

	SPUD	Surface Casing	Activity	Status
06/19/06			Building Location, 5% Complete	Pioneer 52
06/20/06			Building Location, 15% Complete	Pioneer 52
06/21/06			Building Location, 25% Complete	Pioneer 52
06/22/06			Building Location, 35% Complete	Pioneer 52
06/23/06			Building Location, 45% Complete	Pioneer 52
06/26/06			Building Location, 45% Complete	Pioneer 52
06/27/06			Building Location, 55% Complete	Pioneer 52
06/28/06			Building Location, 55% Complete	Pioneer 52
06/29/06			Building Location, 75% Complete	Pioneer 52
06/30/06			Building Location, 75% Complete	Pioneer 52
07/05/06			Building Location, Location Complete WOBR	Pioneer 52
07/12/06	7/6/06 7/8/06	9 5/8" @ 2080'	Set Conductor Spud Air Rig Spud, WORT	Pioneer 52
07/20/06	TD: 2090'	Csg. 9 5/8" @ 2080'	MW: 8.3 SD: 7/XX/06 Move to 922-32J-1, 100% moved, 50% rigged up @ report time.	DSS: 14
07/21/06	TD: 2090'	Csg. 9 5/8" @ 2080'	MW: 8.3 SD: 7/XX/06 RURT and repair rams on derrick.	DSS: 0
07/24/06	TD: 2619'	Csg. 9 5/8" @ 2080'	MW: 8.3 SD: 7/22/06 RURT. NU and test BOPE. PU BHA and DP and drill FE. Drill from 2090'-2619'. Pull up into casing and repair SCR @ report time, 37 hrs repairing SCR.	DSS: 2
07/25/06	TD: 3245'	Csg. 9 5/8" @ 2080'	MW: 8.3 SD: 7/22/06 Repair SCR. TIH and drill from 2619-3245'. DA @ report time.	DSS: 3
07/26/06	TD: 4509'	Csg. 9 5/8" @ 2080'	MW: 8.3 SD: 7/22/06 Drill and survey f/ 3245'-4540'. DA @ report time.	DSS: 4

07/27/06	TD: 5553' Csg. 9 5/8" @ 2080' MW: 9.2 SD: 7/22/06 DSS: 5 Drill and survey f/ 4540'-5553'. DA @ report time.
07/28/06	TD: 6320' Csg. 9 5/8" @ 2080' MW: 9.6 SD: 7/22/06 DSS: 6 Drill f/ 5553'-6320'. DA @ report time.
07/31/06	TD: 7781 Csg. 9 5/8" @ 2080' MW: 11.1 SD: 7/22/06 DSS: 9 Drill f/ 6320'-6500'. TFNB and work tight hole @ 4390'. Change out bit and MM. TIH and drill to 7380'. Build volume with 10% LCM. Drill from 7380'-7766'. Circulate out gas and increase mud weight to 11.0 ppg. Drill to 7781'. Build volume and increase LCM to 25% to control mud loss @ report time.
08/01/06	TD: 7934' Csg. 9 5/8" @ 2080' MW: 11.4 SD: 7/22/06 DSS: 10 Build volume and increase LCM to 30% to control mud loss. Drill from 7781'-7934'. Lost 60 bbls mud. POOH 20 stds and circulate out at reduced rate. Lost 178 bbls mud. TIH and CBU. Build volume with 38% LCM @ report time.
08/02/06	TD: 7996' Csg. 9 5/8" @ 2080' MW: 11.6 SD: 7/22/06 DSS: 11 CCM and build volume with 38% LCM. TFNB and lay down MM. Lost 124 bbls mud on trip. Drill from 7934'-7996'. DA @ report time.
08/03/06	TD: 8200' Csg. 9 5/8" @ 2080' MW: 12.2 SD: 7/22/06 DSS: 12 Drill from 7996'-8157'. Lost 200 bbls mud. CCM and build volume with 40% LCM. Drill to 8200'. Lost pump pressure, well flowing. Circulate out @ report time.
08/04/06	TD: 8384' Csg. 9 5/8" @ 2080' MW: 12.4 SD: 7/22/06 DSS: 13 Drill from 8200'-8384'. Lost 210 bbls mud last 24 hrs. DA @ report time.
08/07/06	TD: 8409' Csg. 9 5/8" @ 2080' MW: 12.4 SD: 7/22/06 DSS: 16 Drill from 8384'-8409'. Pump slug and POOH 15 stds. Hole swabbing. Circulate out gas and pump slug. POOH and change bit. TIH to 2135' and tag up with full string weight. Could not get past shoe. String torquing up. POOH and TIH openended past shoe. POOH and pick up button bit. TIH to 2362'. Had drag at shoe. POOH and attempt to run casing caliper log, too much LCM in mud, tool malfunctioned. POOH and lay down caliper tools. TIH with tricone bit to TD. CCH for casing. Lay down drill string. Run and cement 4 1/2" Production Casing. Set slips and clean pits @ report time.
08/08/06	TD: 8409' Csg. 9 5/8" @ 2080' MW: 12.4 SD: 7/22/06 DSS: 17 Clean pits and release rig @ 0900 hrs 8/7/06. RDRT and move to 922-32J-3 @ report time.
09/20/06	PROG: 7:00 A.M. HSM. ROAD RIG & EQUIP F/ NBU 309 TO LOC. MIRU. NDWH. NUBOPE. PREP & TALLY 270 JTS, 2 3/8" J-55 8RD TBG. (INSPECTED F/ PRS). P/U 3 7/8" MILL, BIT SUB & RIH. P/U TBG OFF TRAILER. EOT @ 5200'.
09/21/06	PROG: 7:00 a.m. HSM. CONT TO RIH P/U TBG OFF TRAILER. TAG PBTD @ 8343'. R/U PMP & LINES. REV CIRC WELL W/ 130 BBLs 2% KCL. X-O POOH STAND BACK TBG. L/D MILL & BIT SUB. ND BOP. NU FRAC VALVES. MIRU B&C QUICK TST. PSI TST CSG & FRAC VLV ASSEMBLY TO 7500# (HELD). RDMO B&C. MIRU CUTTERS. P/U GR/CCL LOG TOOLS & RIH. TAG PBTD @ 8340'. CORRELATE TO BAKER CASED HOLE LOG. (AFTER CORRECTION PBTD @ 8319'). LOG WELL F/ PBTD TO 7800'. POOH. RDMO CUTTERS. PREP TO RUN DFIT TST IN A.M. SWI. SDFN. RETURN TO VERNAL, CONSULT ENGINEERING W/ G/R LOGS FOR BTM PERF INT..
09/22/06	PROG: 9/22/06 7:00 a.m. HSM

MIRU CUTTERS. P/U 3 3/8" EXP PERF GUN LOADED W/ 23 GM CHARGES, 4 SPF, 90 DEG PHASING & RIH. SHOOT 20 HOLES F/ 8230' - 35'. POOH. MIRU SCHLUMBERGER PMP TRK TO CSG. PSI TST LINES TO 8000#, (HELD). OPEN WELL 710# SICP. BEGIN DFIT TST. PMP 24 BBLS (1000 GALS 2% KCL). DWN CSG @ 3.6 BPM. (DID NOT SEE BRK.) S/D PMP. ISIP 2670#. MIRU HALLIBURTON DFIT EQUIP TO OFF SIDE CSG VLV. RDMO SCHLUMBERGER.

PROG: 9/23/06 7:00 a.m. HSM

CONCLUDE DFIT TST @ 9:00 A.M. FINAL SICP 1877#. RDMO HALLIBURTON. MIRU SCHLUMBERGER WELL PMP SVC. MIRU CUTTERS. ALL PERF'S SHOT W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES, 4 SPF, 90 DEG PHASING. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GAL PER THOUSAND IN PAD & 1/2 RAMP. 10 GALS PER THOUSAND IN FLUSH.

STG 1: P/U 3 3/8" PERF GUNS & RIH. SHOOT 16 HOLES F/ 8278' - 82', P/U SHOOT 9 HOLES F/ 8166' - 69'. (TOTAL HOLES IN ZONE 1, 45). POOH. BRK DWN PERF'S @ 2886#, EST INJ RT @ 48.5 BPM @ 4700#, ISIP 2425#, FG .72. TREAT STG 1 W/ 161,000# 20/40 SAND W/ YF120ST+ GEL. TOT CL FL 1425 BBLS. ISIP 3178#, NPI 753#, FG .82

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 8054'. P/U SHOOT 20 HOLES F/ 8019' - 24', P/U SHOOT 16 HOLES F/ 7939' - 43', P/U SHOOT 12 HOLES F/ 7903' - 06'. POOH. BRK DWN PERF'S @ 2500#, EST INJ RT @ 50.7 BPM @ 4800#, ISIP 1824#, FG .66, TREAT STG 2 W/ 301,000# SAND W/ YF120ST+ GEL. TOT CL FL 2252 BBLS. ISIP 2408#, 584#, FG .73 1405# ON WELL AFTER PERF

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH, SET CBP @ 7769', P/U SHOOT 16 HOLES F/ 7735' - 39', P/U SHOOT 9 HOLES F/ 7576' - 79', P/U SHOOT 12 HOLES F/ 7501' - 04'. POOH. BRK DWN PERF'S @ 2958#, EST INJ RT @ 50.8 BPM @ 5200#, ISIP 2105#, FG .71, TREAT STG 3 W/ 201400# SAND W/ YF120ST+, TOT CL FL 1526 BBLS. ISIP 2611#, NPI 506#, FG .77

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7307'. P/U SHOOT 12 HOLES F/ 7274' - 77', P/U SHOOT 12 HOLES F/ 7223' - 26', P/U SHOOT 16 HOLES F/ 7147' - 51'. POOH. BRK DWN PERF'S @ 3563#, EST INJ RT @ 40 BPM @ 3770#, ISIP 1420#, FG .63, TREAT STG 4 W/ 201,600# SAND W/ YF118ST+ GEL. TOT CL FL 1527 BBLS, ISIP 2157#, NPI 737#, FG .73

STG 5: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 6466', P/U SHOOT 12 HOLES F/ 6436' - 39', P/U SHOOT 12 HOLES F/ 6415' - 18', P/U SHOOT 12 HOLES F/ 6244' - 47'. POOH. BRK DWN PERF'S @ 2663#, EST INJ RT @ 41.9 BPM @ 3600#, ISIP 1028#, FG .59. TREAT STG 5 W/ 76,900# SAND W/ YF118ST+ GEL. TOT CL FL 640 BBLS. ISIP 1939#, NPI 911#, FG .74SWI. SDFWE

09/25/06

PROG: HSM. PU 4.5" CBP & 3-3/8" PERF GUN. RIH, SET CBP @ 6156'. PU, PERF: 6122-26', PU, PERF: 5915-18'. TOT OF 28 HOLES. POOH, LD WL TLS. MU D/S. OPEN WELL: 100 PSI, BRK: 3380 PSI, ISIP: 972 PSI, FG: 0.59. FRAC STAGE W/YF118ST+ GEL. POC: 98%. TOT SND: 75,815 LBS, TOT FL: 550.5 BBL. ISIP: 1920 PSI, FG: 0.75. MP: 3896 PSI, MR: 40.4 BPM, AP: 2823 PSI, AR: 37 BPM.

STAGE 7: PU CBP & GUN, RIH, SET CBP @ 5529'. PU, PERF: 5495-99' (16 SHOTS). POOH, LD WL TLS. MU D/S & HALLIBURTON. PMP 24 BBL WATER, RUN DFIT. ISIP: 960 PSI, 15 MIN: 760 PSI, 1 HR: 520 PSI, 2 HRS: 220 PSI, 2.5 HRS: 0 PSI. PU PERF GUN,

RIH, PERF: 5430-34' (16 SHOTS). POOH, LD WL TLS. MU D/S. OPEN WELL: 25 PSI, BRK: 886 PSI, ISIP: 450 PSI, FG: 0.51. EST RATE: 42 BPM @ 2600 PSI, POC: 91%. FRAC STAGE W/YF118ST+ GEL. TOT SND: 75,480 LBS, TOT FL: 538 BBL. ISIP: 1365 PSI, FG: 0.68. MP: 2886 PSI, MR: 41.9 BPM, AP: 2120 PSI, AR: 38.9 BPM. MU CWLS.

STAGE 8: PU CBP & GUN, RIH, SET CBP @ 5199'. PU, PERF: 5165-69' (8 HOLES). POOH, LD WL TLS. MU D/S, PMP 24 BBL @ 5 BBL/MIN. RUN HALLIBURTON DFIT TEST. ISIP: 830 PSI, 10 MIN: 290 PSI, 30 MIN: 76 PSI. 60 MIN: 0-3 PSI. PU CBP & PERF GUN, RIH, SET CBP @ 4987', PU, PERF: 4955-57'. POOH, LD WL TLS. PMP 24 BBL @ 5 BPM, RUN HALLIBURTON DFIT TEST. ISIP: 840 PSI, 3 MIN: 528 PSI, 10 MIN: 295 PSI, 30 MIN: 2 PSI. PU CBP & PERF GUN. RIH, SET CBP @ 4935', PU, PERF: 4897-99'. POOH, LD LW TLS. MU D/S. PMP 24 BBL @ 5 BPM RATE INJ PRES: 830 PSI. ISIP: 300, 10 SECONDS: VAC. ND FRAC HEAD, RD CWLS. RD RIG FLR, ND FRAC VALVE STND, NU BOP. MI TBG FLOAT. PU & RIH W/BIT, SUB & TBG. EOT @ 3800'. SWI, SDFN.

09/26/06

PROG: HSM. OPEN WELL: 0 PSI. CONT TO RIH W/BIT, SUB & TBG. TAG CBP @ 4935'. RD TBG EQUIP, RU PWR SWVL. DRL OUT CBP @ 4935', 0 PSI INCR. CONT TO RIH. TAG CBP @ 4987', DRL OUT, 0 PSI INCR. CONT TO RIH, PUSH CBP PARTS TO 5090'. CIRC HOLE CLN. POOH W/TBG & BIT. LD BIT & SUB. RD RIG FLR, ND BOP, NU FRAC STACK. MIRU CUTTERS WIRELINE SERVICE. PU PERF GUN. RIH, PERF: 5003-07' (16 HOLES). POOH, LD WL TLS. MIRU B&C QUICK TEST. TEST FRAC VLV STK. COULD NOT RETRIEVE DUMMY HANGER, PULL 60K OVER, NO GO. WORK W/BLOCK TO RLSE, NO GO. CALL & WAIT FOR JARS & ACCELERATOR. MIRU RBS FISHING. JAR ON DUMMY, CAME LOOSE. RDMO RBS. MIRU D/S.

STAGE 8: OPEN WELL: 0 PSI, BRK: 1078 PSI, ISIP: 400, FG: 0.51. POC: 79%. FRAC STAGE W/YF118ST+ GEL. TOT SND: 120,060 LBS, TOT FL: 913 BBL. MP: 2775 PSI, MR: 51.4 BPM, AP: 2357 PSI, AR: 46.1 BPM. PU CBP, RIH, SET @ 4800'. POOH, LD WL TLS. SWI, SDFN.

09/27/06

HSM. ND FRAC VALVES, NU BOP, RU RIG FLR. PU 3-7/8" ROCK BIT & POBS. RIH W/BIT, SUB & TBG. TAG KILL PLUG @ 4800'. X-OVER EQUIP TO PWR SWVL. DRILL OUT CBPs AS FOLLOWS:

CBP#	FILL DPTH	CBP DPTH	DRL TIME	PRES INCR
1	NA	4800'	8 MIN	0 PSI
2	120'	5199'	25	0

POOR CIRCULATION ON PLUG # 2, PMP'D 660 BBL KCL. CALL FOR WATER IN MORN. CIRC

09/28/06

HSM. RIH W/BIT SUB & TBG. TAG CBP #4 @ 5735'. X-OVER EQUIP FR TBG TO SWVL. DRL & C/O AS FOLLOWS:

CBP#	DEPTH	DRL TIME	PSI INCR
3	5250'	10 MIN	0 PSI
4	5735'	8	0
5	6466'	11	200
6	7307'	10	200
7	7769'	13	600
8	8054'	8	500

CONT TO CLN OUT TO PBTD @ 8339'. POOH, LD 31 JTS TBG. PU TBG HNDR, LND TBG W/232 JTS IN HOLE (7332.75'). RD RIG FLR, ND BOP, NU WH. RU PMP TO TBG & FL TO PIT. DROP BALL, PMP OFF SUB W/2300 PSI. OPEN WELL TO PIT, TURN OVER TO FBC (DON SOLMONSEN). RD RIG, RACK OUT EQUIP PREP TO MOVE TO NBU 1022-

20I.

ON FLOWBACK 9/29/06: 1950# CP, 1650# TP, 20/64" CK, 30 BWPH, LOAD REC'D 695 BBLS, LLTR 7083 BBLS

09/29/06

ON FLOWBACK 9/30/06: 1775# CP, 1425# TP, 20/64" CK, 20 BWPH, LOAD REC'D 568 BBLS, LLTR 6515 BBLS

ON FLOWBACK 10/1/06: 1650# CP, 1225# TP, 20/64" CK, 18 BWPH, LOAD REC'D 454 BBLS, LLTR 6061 BBLS

ON FLOWBACK 10/2/06: 1550# CP, 1100# TP, 20/64" CK, 15 BWPH, LOAD REC'D 360 BBLS, LLTR 5701 BBLS

WELL WENT ON SALES: 9/29/2006, 9:00 A.M. 1500 MCF, 20/64 CHK, SICP: 2100#. FTP: 1600. 30 BWPH.

10/02/06

ON SALES

09/28/06: 0 MCF, 0 BC, 0 BW, TP: 0#, CP: 0#, 0/64 CHK, 0 HRS, LP: 0#.

09/29/06: 1023 MCF, 0 BC, 300 BW, TP: 1425#, CP: 1775#, 20/64 CHK, 15 HRS, LP: 91#.

09/30/06: 1670 MCF, 0 BC, 432 BW, TP: 1225#, CP: 1650#, 20/64 CHK, 15 HRS, LP: 332#.

10/03/06

ON SALES

10/01/06: 1548 MCF, 0 BC, 360 BW, TP: 100#, CP: 1550#, 20/64 CHK, 24 HRS, LP: 343#.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____						5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649			
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME			
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____						7. UNIT or CA AGREEMENT NAME UNIT #891008900A			
						8. WELL NAME and NUMBER: NBU 922-32J1			
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP						9. API NUMBER: 4304738011			
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078				PHONE NUMBER: (435) 781-7024		10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES			
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 2044'FSL, 1513'FEL (NWNWSE) AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 32 9S, 22E			
						12. COUNTY UINTAH		13. STATE UTAH	
14. DATE SPURRED: 7/6/2006		15. DATE T.D. REACHED: 8/5/2006		16. DATE COMPLETED: 9/29/2006		17. ELEVATIONS (OF, RKB, RT, GL): 4973'GL			
18. TOTAL DEPTH: MD 8,409 TVD		19. PLUG BACK T.D.: MD 8,339 TVD		20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD			
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL-CCL-GR				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)					
24. CASING AND LINER RECORD (Report all strings set in well)									
HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,090		1125			
7 7/8"	4 1/2 I-80	11.6#		8,409		1583			
25. TUBING RECORD									
SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	
2 3/8"	7,333								
26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) WASATCH	4,897	6,439			4,897 6,439	0.35	144	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B) MESAVERDE	7,147	8,282			7,147 8,282	0.35	170	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL		AMOUNT AND TYPE OF MATERIAL							
4897'-6439'		PMP 2641 BBLS YF118ST & 349,255# 20/40 SD							
7147'-8282'		PMP 6730 BBLS YF118ST, 120ST & 865,000# 20/40 SD							
29. ENCLOSED ATTACHMENTS:								30. WELL STATUS:	
<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> DST REPORT <input type="checkbox"/> DIRECTIONAL SURVEY								PROD	
<input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> OTHER: _____									

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 9/29/2006	TEST DATE: 9/30/2006	HOURS TESTED: 15	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 1,670	WATER – BBL: 432	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 1,225	CSG. PRESS. 1,650	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 9/29/2006	TEST DATE: 9/30/2006	HOURS TESTED: 15	TEST PRODUCTION RATES: →	OIL – BBL: 0	GAS – MCF: 1,670	WATER – BBL: 432	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 1,225	CSG. PRESS. 1,650	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,409 6,884	6,884			

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT)

SHEILA UPCHEGO

TITLE

REGULATORY ANALYST

SIGNATURE

DATE

10/23/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 922-32J1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2044 FSL 1513 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047380110000
PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/28/2011	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The subject well location has returned to production from a shut-in status on Monday, February 28, 2011.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Gina Becker		PHONE NUMBER 720 929-6086
SIGNATURE N/A		TITLE Regulatory Analyst II
DATE 3/21/2011		

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 922-32J1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2044 FSL 1513 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047380110000
10. FIELD and POOL or WILDCAT: NATURAL BUTTES		COUNTY: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		STATE: UTAH
TYPE OF SUBMISSION <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 2/5/2015 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	TYPE OF ACTION <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The NBU 922-32J1 well was returned to production on 02/05/2015. Thank you.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 18, 2015		
NAME (PLEASE PRINT) Kristina Geno		PHONE NUMBER 720 929-6824
SIGNATURE N/A		TITLE Regulatory Analyst
DATE 2/10/2015		

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	8. WELL NAME and NUMBER: NBU 922-32J1	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6454	9. API NUMBER: 43047380110000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2044 FSL 1513 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES	
		COUNTY: UTAH
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/7/2016	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP respectfully requests to plug and abandon the NBU 922-32J1 (single) well. Please see the attached procedure for details. Thank you.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: July 28, 2016

By: *Dor K. Quist*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A		DATE 7/7/2016



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047380110000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Amend Plug #1: A minimum of 8 sx shall be spotted on the CIBP @ 7008'.**
- 3. NOTE: Step #6 in procedure is not necessary.**
- 4. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 5. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

7/28/2016

Wellbore Diagram

r263

API Well No: 43-047-38011-00-00

Permit No:

Well Name/No: NBU 922-32J1

Company Name: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Location: Sec: 32 T: 9S R: 22E Spot: NWSE

Coordinates: X: 631499 Y: 4427876

Field Name: NATURAL BUTTES

County Name: UINTAH

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	2080	12.25		
SURF	2080	9.625	32.3	
HOL2	8409	7.875		
PROD	8377	4.5	11.6	

Capacity
(f/cf)

11.459

9 5/8" x 4 1/2" → 3.017

Plug #6

$$\frac{100'}{100'} = 85K$$

$$\frac{100'}{(1.15)(3.017)} = 29.5K$$

$$37.5K \text{ total}$$

Plug #5

$$16.5K = 210'$$

$$\text{TOC @ } 1146' \checkmark$$

Plug #4

$$8.5K = 105'$$

$$\text{TOC @ } 2027' \checkmark$$

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8377	410	HS	431
-PROD	8377	410	50	1152
SURF	2080	0	G	1125

Plug #3 * Step 6 not necessary

$$(32.5K)(1.15)(11.459) = 421'$$

$$\text{TOC @ } 2790' \checkmark$$

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
4897	6439			
7147	8282			

Plug #2

$$8.5K = 105'$$

$$\text{TOC @ } 4742' \checkmark$$

Formation Information

Formation	Depth
UNTA	0
GRRV	1251
PARCK	2902
BMSW	3100
WSTC	4409
MVRD	7008

* Amend Plug #1

* 100' on CIBP

$$100' / (1.15)(11.459) = 45K$$

$$\text{TOC @ } 6908' \checkmark$$

Cement from 8377 ft. to 410 ft.

Production: 4.5 in. @ 8377 ft.

Hole: 7.875 in. @ 8409 ft.

TD:

TVD:

PBDT:

NBU 922-32J1
 2044' FSL & 1513' FEL
 NWSE SEC. 32, T9S, R22E
 UINTAH UT

KBE: 4996'
 GLE: 4973'
 TD: 8409'
 PBTD: 8339'

API NUMBER: 4304738011
 LEASE NUMBER: ML-22649
 LAT/LONG: 39.99085/-109.459799

CASING : 12.25" HOLE
 SURFACE 9.625" 32.3# H-40 @ 2080'

PRODUCTION 7.875" HOLE
 4.5" 11.6# I-80 @ 8377'
 Est. TOC @ 410' CBL

PERFORATIONS: WASATCH-MESAVERDE TOP-BOTTOM 4897'-8282'

TUBING: 2.375" 4.7# J-55 TUBING @ 7398'

Tubular/Borehole	ID	Drift inches	Collapse psi	Burst psi	Capacities		
	inches				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg	1.995	1.901	8100	7700	0.1624	0.02171	0.00387
2.375" 4.7# P-110 tbg	1.995	1.901	13800	15400	0.1624	0.02171	0.00387
2.375" 4.7# L-80 tbg	1.995	1.901	11780	11200	0.1624	0.02171	0.00387
4.5" 11.6# I-80 csg	4	3.875	6350	7780	0.65282	0.08727	0.01554
9.625" 32.3# H-40 csg	9.001	8.845	1400	2270	3.30549	0.44188	0.0787

Annular Capacities	Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" tbg. X 4.5" csg	0.42272	0.05651	0.01006
4.5" csg. X 9.625" csg	2.47927	0.33143	0.05903
4.5" csg X 7.875 borehole	1.70406	0.2278	0.04057

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Top Green River	1251'
Top Mahogany	2017'
Base Parachute	2902'
Top Wasatch	4409'
Top Mesaverde	7008'

<http://digitallibrary.utah.gov/awweb/awarchive?type=file&item=55737>

BMSW Elevation ~1896' MSL

BMSW Depth ~3100'

NBU 922-32J1 PLUG & ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- BLOW DOWN BRADEN HEAD AND SURFACE CASING AS NEEDED AS PER SOP.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, 15.8ppg, YIELD 1.145 CUFT/SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID AND IS TO BE PLACED BETWEEN ALL PLUGS.
- NOTIFY APPROPRIATE AGENCY 48 HOURS BEFORE MOVING ON LOCATION.

PERTINENT WELL HISTORY: N/A

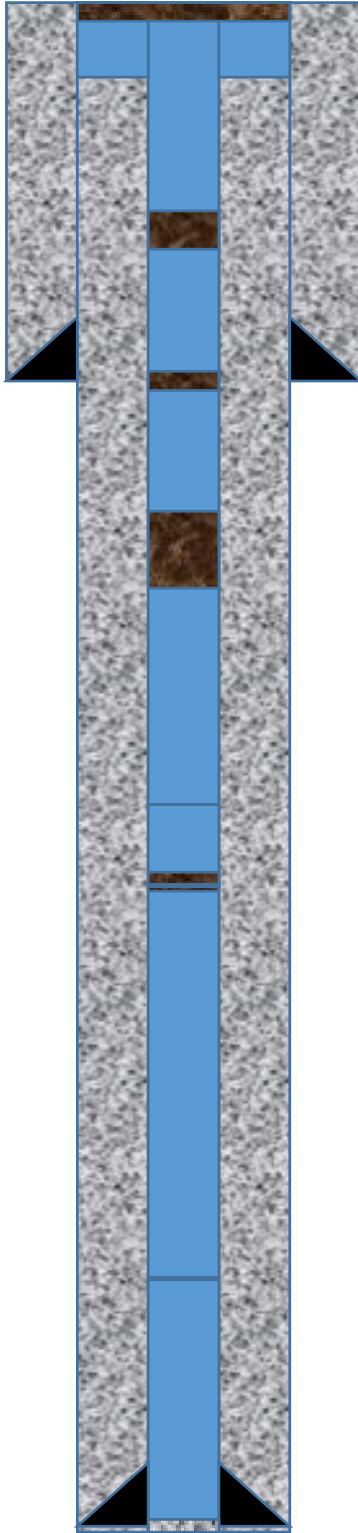
PROCEDURE

Note: Approx. **101 SXS** Class "G" cement needed for procedure & **(2) 4.5" CIBP**

Note: YES GYRO ON RECORD. (IF GYRO NEEDED, A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE).

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. POOH W/ TBG & L/D SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL PER FOREMAN DISCRETION.
3. ISOLATE MESAVERDE PERFORATIONS (> 7008'): RIH ON WIRELINE W/ 4.5" CIBP. SET @ ~7008'. RELEASE CIBP.
4. ISOLATE PERFORATIONS (8282'-4897'): RIH ON WIRELINE OR TUBING W/ 4.5" CIBP. SET @ ~4847', (50' above top perf at 4897'). RELEASE CIBP, PUH 10', CIRC ENTIRE HOLE W/ TREATED FRESH WATER AND PRESSURE TEST CASING. SET A 105FT BALANCED CMT PLUG F/ 4847' to 4742' (8 SXS, 9.16 FT3, 1.64 BBLs).
5. PROTECT BMSW AND PARACHUTE BASE (3100', 2902'): PUH WITH TUBING AND PUMP A MINIMUM OF (420FT) CMT F/ 3210' to 2790' (32 SXS, 36.64 FT3, 6.54 BBLs).
6. PROTECT PARACHUTE BASE (2902'): PUH WITH TUBING AND PUMP A MINIMUM OF (210FT) CMT F/ 3007' to 2797' (16 SXS, 18.32 FT3, 3.27 BBLs).
7. PROTECT CASING SHOE (2080'): PUH WITH TUBING AND PUMP A MINIMUM OF (105FT) CMT F/ 2132.5' to 2027.5' (8 SXS, 9.16 FT3, 1.64 BBLs).
8. PROTECT GREEN RIVER (1251'): PUH WITH TUBING AND PUMP A MINIMUM OF (210FT) CMT F/ 1356' to 1146' (16 SXS, 18.32 FT3, 3.27 BBLs).
9. PROTECT SURFACE (102'): POOH AND RIG UP WIRELINE. RIH WITH PERF GUNS FOR PRODUCTION CASING. PERFORATE CASING AT ~102' (TOC @ ~410'). PUMP A MINIMUM OF (37 SXS, 42.37 FT3, 7.55 BBLs) CMT TO FILL PRODUCTION CASING AND ANNULUS FROM 102' TO SURFACE.
10. CUT OFF WELLHEAD AND INSTALL MARKER PER REGULATIONS.
11. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB. SURFACE RECLAMATION TO BE PERFORMED IN ACCORDANCE TO REGULATIONS.

NBU 922-32J1



Total SXS: 101, Total CIBP: 2

<- Plug for Surface at 0' from 0' to 102' with 37SXS,102ft.

<- TOC at 410'

<- Plug for GreenRiver at 1251' from 1356' to 1146' with 16SXS,210ft.

<- Mahogany at 2017'

<- Plug for Surface Shoe at 2080' from 2132.5' to 2027.5' with 8SXS,105ft.

<- Plug for Parachute Base and BMSW at 2902', 3100' from 3210' to 2790' with 32SXS,420ft.

<- Wasatch at 4409'

<- Plug above CIBP at 4847' from 4847' to 4742' with 8SXS,105ft.

<-CIBP Above Perfs at 4847'

<-Top Perf at 4897'

<-CIBP for Mesaverde at 7008'

<-PBTD at 8339'

<- Production Casing Shoe at 8377'

<-TD at 8409'

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22649
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 922-32J1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2044 FSL 1513 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 32 Township: 09.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047380110000
PHONE NUMBER: 720 929-6454		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/10/2016	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	
<input type="checkbox"/> DRILLING REPORT Report Date:	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, LP has plugged and abandoned the NBU 922-32J1 well. Please see the operations summary report for details. Thank you.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 31, 2016		
NAME (PLEASE PRINT) Jennifer Thomas	PHONE NUMBER 720 929-6808	TITLE Regulatory Specialist
SIGNATURE N/A	DATE 8/15/2016	

US ROCKIES REGION
Operation Summary Report

Well: NBU 922-32J1

Spud date: 7/22/2006

Project: UTAH-UINTAH

Site: NBU 922-32J1

Rig name no.: MILES-GRAY 1/1

Event: ABANDONMENT

Start date: 8/8/2016

End date: 8/10/2016

Active datum: RKB @4,995.99usft (above Mean Sea Level)

UWI: NBU 922-32J1

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
8/8/2016	12:00 - 12:30	0.50	ABANDP	30	G	P		ROAD RIG TO LOCATION
	12:30 - 14:00	1.50	ABANDP	30	A	P		MIRU SPOT IN ALL EQUIP.
	14:00 - 16:30	2.50	ABANDP	30	F	P		FCP & FTP = 170# (KICKING FLUID UP ANNULUS). CNTRL TBNG W/ 30BBLs TMAC. CNTRL CSNG W/ 30BBLs TMAC. NDWH. UN-LAND TBNG (NOT STUCK). LAND TBNG BACK ON HANGER. NUBOP. R/U FLOOR & TBNG EQUIP. UN-LAND TBNG. RMV HANGER. INSTALL WASHINGTON RUBBER. PREP FOR TBNG SCAN IN AM. SWIFN. LOCK RAMS. SDFN.
8/9/2016	7:00 - 7:15	0.25	ABANDP	48	B	P		SAFETY = JSA.
	7:15 - 10:30	3.25	ABANDP	31	I	P		SITP= 200#. SICP= 450#. OPEN CSNG TO FLOWBACK TANK. CNTRL TBNG W/ 20BBLs TMAC. MIRU SCANNERS. POOH WHILE SCANNING 234JTS 2-3/8" J-55 TBNG. L/D ALL TBNG FOR BETTER INSPECTION. SCAN RESULTS AS FOLLOWS: Y-BND= 198JTS. 6276' R-BND= 36JTS. 1141'
	10:30 - 12:30	2.00	ABANDP	34	I	P		MIRU WIRELINE. P/U & RIH W/ GR-JB FOR 4-1/2" CSNG TO 7015' (GOOD). POOH TOOLS & L/D GR-JB. P/U & RIH W/ 4-1/2" WEATHERFORD CIBP. TRY TO SET CIBP @ 7008'. TOOL STROKED BUT COULD NOT T/U ON CIBP (FELL DOWN HOLE). POOH E-LINE & PLUG GONE.
	12:30 - 14:00	1.50	ABANDP	46	E	Z		WAIT ON NEW 4-1/2" CIBP (E-LINE CONVEYED). WF ON LOCATION @ 14:00HRS.
	14:00 - 17:40	3.67	ABANDP	34	I	P		P/U & RIH W/ 4-1/2" WEATHERFORD CIBP. SET CIBP @ 7008'. POOH E-LINE & L/D TOOLS. P/U & RIH W/ DUMP BAILER. T/U ON CIBP @ 7008'. DUMP BAIL TOTAL OF 8SX 15.8# G CMT ON CIBP. MAKE A TTL OF 4 DUMP BAIL RUNS. TOP OF CMT EST @ 6904' (104' CMT).
8/10/2016	7:00 - 7:15	0.25	ABANDP	48	B	P		RDMO E-LINE. SWIFN. LOCK RAMS. SDFN SAFETY = JSA.
	7:15 - 9:00	1.75	ABANDP	31	G	P		SICP= 400#. BLOW DOWN WELL TO FLOWBACK TANK. CNTRL CSNG W/ 30BBLs TMAC. P/U & RIH W/ 4-1/2" WEATHERFORD CIBP. SET CIBP @ 4847'. PUH 10'.
	9:00 - 9:30	0.50	ABANDP	31	H	P		MIRU CMT CREW. BREAK CONV CIRC W/ TMAC. CIRC WELLBORE W/ 75BBLs TMAC UNTIL CLEAN & GAS FREE.

US ROCKIES REGION

Operation Summary Report

Well: NBU 922-32J1

Spud date: 7/22/2006

Project: UTAH-UINTAH

Site: NBU 922-32J1

Rig name no.: MILES-GRAY 1/1

Event: ABANDONMENT

Start date: 8/8/2016

End date: 8/10/2016

Active datum: RKB @4,995.99usft (above Mean Sea Level)

UWI: NBU 922-32J1

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	9:30 - 9:45	0.25	ABANDP	52	F	P		<p>PRESSURE TEST 4-1/2" CSNG & 4-1/2" CIBP GOOD @ 1000#. LOST 0# IN 15MIN. BLEED OFF PRESSURE.</p> <p>NOTE: RICHARD POWELL (UDOGM) NOT ON LOCATION TO WITNESS P&A. I LEFT A VOICEMAIL MESSAGE W/ RICHARD INFORMING HIM THAT THE PRESSURE TEST WAS GOOD AND THAT I WOULD NOT BE TAGGING THE BALANCED PLUGS. ON ALL PAST WELLS THAT HAD A POSITIVE PRESSURE TEST, RICHARD HAS WAIVED TAGGING OF BALANCED PLUGS.</p>
	9:45 - 11:30	1.75	ABANDP	51	D	P		<p>R/U CMT SERVICE. POOH TBNG WHILE PUMPING CMT PLUGS. ALL CMT PUMPED @ 15.8# AND IS G CMT. PUMP CMT PLUGS AS FOLLOWS:</p> <p>#1. CIBP @ 4847'. PUMP 2.6BBLS FRESH WATER. PUMP 10SX CMT. DISPLACE W/ 1BBL FRESH WATER & 17.1BBLS TMAC. PUH TBNG.</p> <p>#2. EOT @ 3210'. FILL HOLE. PUMP 2.6BBLS FRESH WATER. PUMP 32SX CMT. DISPLACE W/ 1BBL FRESH WATER & 9.6BBLS TMAC. PUH TBNG.</p> <p>#3. EOT @ 2132'. FILL HOLE. PUMP 2.6BBL FRESH WATER. PUMP 10SX CMT. DISPLACE W/ 1BBL FRESH WATER & 6.6BBLS TMAC. PUH TBNG.</p> <p>#4. EOT @ 1356'. FILL HOLE. PUMP 2.6BBLS FRESH WATER. PUMP 16SX CMT. DISPLACE W/ 1BBL FRESH WATER & 3.3BBLS TMAC. POOH ALL TBNG.</p>
	11:30 - 11:50	0.33	ABANDP	34	H	P		<p>MIRU WIRELINE. P/U & RIH W/ CSNG SQZ GUN (4SPF X 1' GUN). PERF 4-1/2" CSNG @ 102'. POOH E-LINE. RDMO E-LINE.</p>
	11:50 - 13:00	1.17	ABANDP	30	C	P		<p>R/D FLOOR & TBG EQUIP. NDBOP. NUWH. RDMO RIG.</p>
	13:00 - 14:00	1.00	ABANDP	51	D	P		<p>R/U CMT CREW. BREAK CIRC DOWN 4-1/2" CSNG & UP 9-5/8" CSNG W/ FRESH WATER (FULL RETURNS @ SURFACE). PUMP 70SX CMT UNTIL GOOD CMT @ SURFACE.</p> <p>MIRU ROUSTABOUT CREW. EXPOSE WELLHEAD. CUT & LOWER WELLHEAD. CMT @ SURFACE IN 4-1/2" CSNG & IN 4-1/2" X 9-5/8" ANNULUS. INSTALL MARKER PLATE. BACKFILL WELLHEAD. P&A COMPLETE.</p> <p>WELLHEAD COORDINATES:</p> <p>LAT: 39.99085 LONG: -109.459779</p>